

Part 2A of Form ADV: Firm *Brochure*

Item 1 Cover Page

March 12, 2024

Preston F. Sanders, ChFC, LLC, doing business as (dba) Sanders & Scott, ChFC

Mailing Address:

3651 Mars Hill Rd, Suite 2800-B

Watkinsville, GA 30677

Phone: 770-760-8933

Fax: 770-760-1073

Physical Addresses:

Washington, GA Address:

216 E. Robert Toombs Avenue

Washington, GA 30673

Conyers Address:

931 Commercial Street

Conyers, GA 30012

Phone: 770-760-8933

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Athens Address:

3651 Mars Hill Rd, Suite 2800-B

Watkinsville, GA 30677

Phone: 770-760-8933

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www.sandersandscott.com

Additional information about the Adviser is available on the SEC's website at www.adviserinfo.sec.gov.

This brochure provides information about the qualifications and business practices of Preston F. Sanders, ChFC, LLC. If you have any questions about the contents of this brochure, please contact us at 770-760-8933, preston@prestonsanders.net or trey@prestonsanders.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Item 2 Material Changes

This firm brochure is for calendar year 2024.

There have been no material changes in the nature of business; methods of analysis or type of client including personal, professional or business relationships.

Item 3 Table of Contents

Item 1 - Cover Page
Item 2 - Material Changes
Item 3 - Table of Contents
Item 4 - Advisory Business
Item 5 - Fees and Compensation
Item 6 - Performance-Based Fees and Side-By-Side Management
Item 7 - Types of Clients
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss
Item 9 - Disciplinary Information
Item 10 - Other Financial Industry Activities and Affiliations
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
Item 12 - Brokerage Practices
Item 13 - Review of Accounts
Item 14 - Client Referrals and Other Compensation
Item 15 - Custody
Item 16 - Investment Discretion
Item 17 - Voting Client Securities
Item 18 - Financial Information
Item 19 - Requirements for State-Registered Advisers

Item 4 Advisory Business

"The Firm" provides investment management services and financial planning/consulting for individuals, estates, trusts, and small companies. The services provided are tailored to meet the requests and needs of each client. The client relationships are intended to be long lasting and involve the exchange of confidential information by the client to the advisor. The Firm is committed to providing advice and management services with the best interests of each client as its primary goal and responsibility.

Preston F. Sanders, ChFC, LLC was incorporated in the state of Georgia on December 17, 2007.

Preston F. Sanders is the principal owner.

Robert W. Scott, III, ChFC (Trey) is a Partner in the firm and is authorized to make trades on behalf of clients.

Discretionary Assets Under Management as of 12/31/2023: \$119,075,814.

Item 5 Fees and Compensation

The Firm is compensated in the following manner.

Client shall pay PFS, ChFC, LLC, at the end of each quarter, a quarterly advisory fee, calculated at an annual rate as indicated below, based on Client's assets under management:

- a) Fees of no more than one and a half percent (1.5%) annually for accounts valued at less than \$500,000; or
- b) Fees of no more than one percent (1%) annually for amounts valued in excess of \$500,000.
- c) Fees of no more than 3/4 of 1% annually for amounts valued in excess of \$1,000,000.

Fees are deducted quarterly directly from client accounts under management.

The Firm uses Charles Schwab as the primary Custodian of client accounts. Schwab charges no Custodial fee.

Client qualified accounts held with a Custodian selected by their Employer may or may not charge Custodial fees. The Firm manages these accounts at a reduced fee schedule ranging from .50% to .75% annually. The Firm manages these types of accounts only upon client request.

The Firm does use open-ended and closed-ended mutual funds as an investment instrument. Mutual fund companies charge internal fees ranging from .10% to as high as 2% or more. The Firm attempts to use mutual funds with the lowest annual fee consistent with the investment objective and expertise offered by fund management. No fees or other forms of compensation are paid to the Firm by any mutual fund, open or closed.

The firm also uses Exchange-Traded Funds (ETF) as an investment instrument. These are unmanaged investments with annual fees typically less than .35%. The Firm uses "ETFs" as a method of achieving an investment sector emphasis. The Firm receives no compensation of any type from these ETFs.

Mr. Scott sells fixed annuities and occasionally a life insurance policy. Mr. Scott is paid commissions by the issuing company.

Fees and commissions are never paid simultaneously on the same funds under management. All fees are paid retroactively for services rendered.

Item 6 *Performance-Based Fees* and Side-By-Side Management

Not applicable.

Item 7 Types of *Clients*

- 1) Individuals
- 2) Estates
- 3) Trusts
- 4) Small businesses (less than 100 employees)
- 5) Charitable/non-profit organizations

Methods of analysis begin with the appropriate evaluating of goals and objectives of each client and a review of types and levels of risk to be assumed. The client is asked to initially and periodically confirm the opinion and assessment of the advisor.

Investment analysis consists primarily of fundamental research into the companies considered for investment. Items reviewed are financial position, market share, depth of management, research and development emphasis. The question is asked: "How does this company and the products and services offered stand and prosper in the current condition and anticipated developments in the economy--local, national and global--and would the inclusion of this investment within the client portfolio serve to advance the investment success of the client at an acceptable level of risk?"

The Firm also refers to charts depicting the direction of the price of a security and the volume of trades being made in both selling and buying.

Mr. Sanders and Mr. Scott perform all research and make all decisions. Mutual funds are selected only to achieve targeted objectives and are not the primary security format used.

The Firm does not participate in any 'wrap program'. A wrap program is when one advisor subcontracts to another advisor to make investment decisions for the client.

All investments involve some element of risk. Stocks can lose value, sometimes quite suddenly. Bonds fluctuate in value based on the prevailing interest rates and the creditworthiness of the issuer. All clients are encouraged to communicate with the Firm any concerns they have about the degree of risk in their portfolio.

Item 9 Disciplinary Information

None - ever - and none are anticipated.

Item 10 Other Financial Industry Activities and Affiliations

Mr. Scott sells fixed annuities to clients when the advisor and the client agree that a specified sum of money should be removed entirely from investment risk for a stated period of time. Essentially, without exception, funds placed are determined by the client and the advisor to be available for deferred use for the stated period of years of the annuity.

Mr. Scott sells hybrid long term care/deferred annuities when deemed appropriate by the client.

Commissions on annuity products (and life insurance products) are paid to Mr. Scott by the selected insurance company. Fees and commissions are never earned simultaneously on the same money.

Funds may move from asset management into annuities and vice versa. The Firm's fiduciary responsibility to the client is always respected and observed.

Item 11 Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

Code of Ethics: The Firm has been placed by its clients in a position of high fiduciary (trust) responsibility and will engage in activity always with the client's best interest as the standard of behavior.

Conflicts of interest, should they arise, will be immediately disclosed.

The Firm deals only in publicly traded securities and uses only information available in the public domain. No insider trading is ever transacted.

The Firm may buy or sell in its own account the same securities it places within client portfolios. Such transactions are small in nature and have no effect on the price of a given security.

Charles Schwab furnishes the Firm with research resources that would normally have to be purchased--perhaps at considerable expense--on the open market. The amount of assets under management custodied at Schwab has no bearing on the research resources provided. The advisor uses other third-party research providers (at cost) who are not affiliated with Schwab.

The relationship with Schwab is voluntary. Schwab is used because of its ability to facilitate the 'back office' and record keeping and trading requirements of the Firm.

The Firm occasionally buys or sells securities on a batch basis. This means the transaction involves multiple accounts for multiple clients. This method is used to facilitate efficiency in the trading process on the part of the Firm's staff. In every instance, it is the judgment of the Firm that the transaction is appropriate for any client or account included. There is no pricing advantage or penalty to the individual client as a result of the batch transaction.

Mr. Sanders and Mr. Scott take personal responsibility for each and every account.

*Accounts are reviewed systematically at least once every 30 days.

*Accounts are reviewed each time a security is considered for the account--either a buy or sell.

*Accounts are reviewed when there is a significant change in the economy, the market, in tax laws, and most importantly, when there is a material change in the client's circumstances, goals or objectives.

*The firm should be notified when a material change or life event occurs.

*Conferences are held face-to-face with the client when deemed advisable and when requested by the client. Telephone and video conferencing are available as the client prefers.

Item 14 *Client* Referrals and Other Compensation

Clients are referred to the Firm from CPAs, attorneys and most frequently, by other clients.

No compensation of any type is paid or received for referrals.

Item 15 *Custody*

Custody of all accounts is voluntarily placed with Charles Schwab & Co. The Firm is under no obligation to use Schwab and receives no compensation from Schwab.

Clients receive a monthly or, in the case of low transaction accounts, quarterly statement for each account from the Custodian. Clients may choose to receive their statements through the U.S. mail or digitally.

When a client retains the Firm, he/she grants full investment discretion to the Firm. No prior approval of transactions from the client is necessary.

All investment decisions are made by Mr. Sanders or Mr. Scott.

Types of investments on which the Firm advises but does not sell nor receive a fee includes the following:

*Investment company securities:

1. variable life insurance
2. variable annuities
3. real estate

Investment strategies include:

- *Long term purchases (securities held at least a year)
- *Short term purchases (securities sold within a year)
- *Margin transactions
- *Option writing, including covered options (if approved by the client).

Item 17 Voting *Client* Securities

The Firm votes all shares and holds all proxies on behalf of its clients. The Firm actively votes its client proxy when in the judgment of Mr. Sanders and/or Mr. Scott the issue at hand is of material importance to the client. Items not deemed materially important are left to the discretion of the Board of Directors of the companies in which the Firm invests.

The Firm (Preston F. Sanders or Robert W. Scott, III) have no financial condition that could adversely affect its ability to perform its work on behalf of its client.

No fees are paid in advance. The Firm does not accept custody of any client funds. Firm assets and the personal accounts of Mr. Sanders or Mr. Scott are never co-mingled with client funds.

The Firm conforms strictly with definitions and regulations regarding custody of clients' funds as promulgated by Federal and State agencies. The Firm never has direct possession of any client assets. All assets are held in the name of the respective Custodian.

Mr. Scott sells fixed annuities and occasionally a life insurance policy. Commissions are paid by the issuing company. Mr. Sanders and Mr. Scott are licensed insurance agents in the state of Georgia. This practice constitutes approximately 20% of Firm revenues in a typical year.

PRESTON F. SANDERS, ChFC

Year of Birth: 1945

Educational Background:

Formal Education after High School:

Mercer University - Macon, GA 1967 A.B. Degree - History

The American College - Byrn Mawr, PA 1976 CLU (Chartered Life Underwriter)

1985 ChFC (Chartered Financial Consultant)

1989 MSFS (Master of Science in Financial Services)

Professional History:

Business Background:

Preston F. Sanders, ChFC / Investment Advisor 1997 to present

Sanders & Sizemore Financial Consultants 1989 - 1997

Sanders & Sizemore / Pension Consultants 1985 - 1997

Presbyterian Ministers Fund / Insurance Agent 1971 - 1993

ROBERT W. SCOTT, III, ChFC

Year of Birth: 1975

Formal Education after High School:

High Point University - High Point, NC 1997 B.S. Degree - Sports Medicine

Medical College of Georgia - Augusta, GA 2000 Masters Degree - Physical Therapy

The American College - Byrn Mawr, PA 2020 ChFC (Chartered Financial Consultant)

Professional History:

Business Background:

Sanders & Scott, ChFC 2020 to present

Independent life insurance agent 2016 - present

Physical Therapist/Athletic Trainer - Athens Orthopedic Clinic 2001-2016

Part 2B of Form ADV: *Brochure Supplement*

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216 E Robert Toombs Ave

Washington, GA 30673

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Item 2 Educational Background and Business Experience

PRESTON F. SANDERS, ChFC

Year of Birth: 1945

Educational Background:

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Item 3 Disciplinary Information

None – ever – and none are anticipated.

Item 4 Other Business Activities

Mr. Scott sells fixed annuities and occasionally a life insurance policy. Commissions are paid by the issuing company. Mr. Sanders and Mr. Scott are licensed insurance agents in the state of Georgia. This practice constitutes approximately 20% of Firm revenues in a typical year. Mr. Sanders and Mr. Scott provide consulting services directly to individuals and corporations upon request.

Item 5 Additional Compensation

All compensation:

1. Management fees for assets held at Charles Schwab.
2. Management fees for retirement accounts held with other Custodians at the request of clients.
3. Life insurance and annuity commissions paid directly to Mr. Scott.
4. Direct billing for financial consulting services.

Item 6 Supervision

Mr. Sanders and Mr. Scott function as independent investment advisors. They are not under the supervision of any broker dealer or other financial entity. Their responsibility is directly to the clients, only.

Item 7 Requirements for State-Registered Advisers

No additional requirements.